

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

APPLICATIONS OF GABELLI FUNDS, INC. AND  
GAMCO INVESTORS, INC. FOR WAIVERS OF NRS 463.643(4)  
PURSUANT TO NGC REGULATIONS 16.010(14) AND 16.430

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ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on September 10, 1997, and before the Nevada Gaming Commission ("Commission") on September 25, 1997, at Las Vegas, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the applications, as amended and supplemented, of Gabelli Funds, Inc. and GAMCO Investors, Inc. ("Gabelli") for waivers of NRS 463.643(4) as an institutional investor pursuant to NGC Regulations 16.010(14) and 16.430, have been filed.
2. THAT the applications of Gabelli for waivers of NGC Regulation 4.080(1), pursuant to NGC Regulation 4.080(3), have been filed.
3. THAT the applications of Gabelli described herein have been filed on the basis that they are neither a commitment nor an admission of any present intent to purchase the securities of the companies for which a waiver has been requested.

4. THAT Gabelli is hereby granted, for a period of one (1) year from the effective date of this Order, a waiver of the provisions of NRS 463.643(4), pursuant to NGC Regulations 16.010(14) and 16.430, to beneficially own not more than 15% of the total number of outstanding shares of voting securities of Acres Gaming Corporation, Alliance Gaming Corporation, American Wagering, Inc., Ameristar Casinos, Inc., Anchor Gaming, Arizona Charlie's, Inc., Aztar Corporation, Bally's Grand, Inc., Becker Gaming, Inc., Boardwalk Casino, Inc., Boyd Gaming Corporation, Caesars World, Inc., Casino Data Systems, Churchill Downs, Incorporated, Circus Circus Enterprises, Inc., Coast Hotels and Casinos, Inc., Coast Resorts, Inc., Eldorado Resorts LLC, Elsinore Corporation, Fairgrounds Corporation, Fitzgeralds Gaming Corporation, Gold River Hotel & Casino Corporation, Gold River Partners L.P., Grand Casinos, Inc., Harrah's Entertainment, Inc., Harrah's Operating Company, Inc., Harvey's Casino Resorts, Hilton Hotels Corporation, Hollywood Park, Inc., Innovative Gaming Corporation of America, International Game Technology, ITT Corporation, Jackpot Enterprises, Inc., Ladbroke Group PLC, Longs Drug Stores Corporation, MGM Grand, Inc., Mikohn Gaming Corporation, Mirage Resorts, Incorporated, Monarch Casino & Resort, Inc., PDS Financial Corporation, Paul-Son Gaming Corporation, Players International, Inc., Primadonna Resorts, Inc., Rio Hotel & Casino, Inc., Riviera Holdings Corporation, The Sands Regent, Santa Anita Realty Enterprises, Inc., Santa Fe Gaming Corporation, Santa Fe Hotel Inc., Showboat, Inc., Shuffle Master, Inc., Silicon Gaming, Inc., Starwood Lodging Corporation, Station Casinos, Inc., Status Game Corporation, Stratosphere Corporation, Union Plaza Hotel & Casino, Inc., Video Lottery Technologies, Inc., and WMS Industries, Inc. (singularly, "Corporation," collectively, "Corporations"). It is provided, however, that the foregoing waivers are expressly conditioned as follows:

a. The waivers may only be utilized for, and are limited to, Gabelli's investment in the voting securities of the Corporations.

b. Gabelli must submit to the Board by the tenth business (10) day of each month for the preceding thirty (30) day period for each such Corporation a listing of the

percentage of all voting securities held by Gabelli of each Corporation in a form approved by the Chairman of the Board, or his designee, the confidentiality of which shall be maintained by the Board and Commission pursuant to NRS 463.120.

c. Gabelli must submit the following information to the Board within thirty (30) calendar days after the end of each calendar quarter, for each Corporation in which Gabelli owns ten percent (10%) or more, the confidentiality of which shall be maintained by the Board and Commission pursuant to NRS 463.120:

(1) A certification, made under oath and under the penalty of perjury, containing the following:

- (a) A statement attesting that Gabelli holds and/or has held the voting securities of the Corporation for (a) investment purposes only, or (b) in the ordinary course of business as an institutional investor and not for the purpose of (i) causing, directly or indirectly, the election of the members of the board of directors, or (ii) affecting any change in the corporate charter, bylaws, management, policies or operations of the Corporation or any of its affiliates.
- (b) A statement that Gabelli has not exceeded the provisions of NGC Regulation 16.430(2)(a) - (e), which enumerates certain activities that are deemed to be consistent with Gabelli's holding voting securities for investment purposes only.
- (c) The name, title and telephone number of the person(s) having direct control over Gabelli's holdings of voting securities in the Corporation.

- (d) The name, title and telephone number of the persons serving on the Board of Directors.
- (e) A statement of all complaints, arrests, indictments or convictions of any officer or director of Gabelli regarding the rules and regulations of the Securities and Exchange Commission and the National Association of Securities Dealers, or any offense which would constitute a gross misdemeanor or felony if committed in the state of Nevada. The name, position, charge, arresting agency, and a brief description of the event must also be included in the statement.
- (f) A statement indicating any change to the structure and/or operations of Gabelli which could affect its classification as an Institutional Investor as defined by NGC Regulation 16.010(14).
- (g) A statement by the signatory of the certification that he/she has the authority to sign the certification and to bind Gabelli to the contents therein.

5. Gabelli shall continue to maintain its previously adopted compliance program to implement and ensure Gabelli's compliance with the Nevada Gaming Control Act, and the regulations promulgated thereunder, this and any other Order, approval, waiver, limitation or condition previously, hereby, or in the future granted to, or imposed on, Gabelli. The compliance program shall be amended at the request of the Chairman of the Board, or his designee. All amendments to the compliance plan shall be administratively approved by the Chairman of the Board. Gabelli shall promptly report any appointments or resignations of the compliance committee members.

6. Gabelli shall fund and maintain with the Board a revolving fund in the total amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the terms and provisions of this Order or any other Orders relating to waivers of NRS 463.643(4), pursuant to NGC Regulation 16.430. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of the account for the payment of costs and expenses incurred by the Board and its staff in the surveillance, monitoring and investigative review of all activities of Gabelli and its affiliated entities.

7. THAT Gabelli is hereby granted, for a period of one (1) year from the effective date of this Order, a waiver of the provisions of NGC Regulation 4.080(1), pursuant to NGC Regulation 4.080(3), specifically and only as they relate to the waivers of NRS 463.643(4) granted to Gabelli, pursuant to NGC Regulation 16.430, as beneficial owners of voting securities of the Corporations.

8. The Commission hereby expressly finds that the waivers herein granted are consistent with the State policies set forth in NRS 463.0129, 463.489, and 463.622 and the standards set forth in NGC Regulation 16.060.

ENTERED at Las Vegas, Nevada, this 25th day of September, 1997.